CONFIDENTIAL and PERSONAL 282 7 RJA/540/91/sh 303861991 R J ALSTON FROM: US (POL) 29 July 1991 PS/Mr Fell - B Mr Thomas - B Mr Ledlie - B Sir N Fenn - B PS/PUS (L&B) - B LONDON: 26 JULY 1991 AI DINER: Sir R Butler undertook himself to draft a report to Ministers, which will cover his tete-a-tete as well as the Diner itself. This will be the formal "record", it having been agreed with Mr Nally that the meeting would in fact have a totally unattributable quality. I have generally adhered to this, save on security co-operation, and in the case of Sir N Fenn's admirable intervention, which seemed to me a summary worth presenting in full. 3. Despite this it may be helpful to note, in a summary and unattributable form, the main points made on each side particularly as they affect the political talks and security co-operation. I am copying them only to Mr Ledlie, beyond the NIO participants and HM Ambassador. It goes without saying that Sir R Butler's version will be authoritative on any point of divergence between our respective memories! [signed] R J ALSTON Ext 2507 © PRONI CENT/1/20/57A

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AI DINER: LONDON: 26 JULY 1991 - SUMMARY RECORD

The Diner was preceded by an hour's tete-a-tete discussion between Sir R Butler and Dermot Nally. Sir R Butler will produce a draft report to Ministers covering both parts of the meeting. It was agreed from the outset of the Diner that no formal notes would be taken and that the conversation would be unattributable.

- 2. Much of the greater part of the conversation was taken up by the continuation of the Brooke Talks and what the Irish could do to facilitate a resumption. The British side suggested that the odds were better than even that all the parties would see advantage in going on. The electoral over-hang could not be ignored. Neither could public pressure for progress which meant that politicians did not want to distance themselves from the process. The fixed timeframe of the Talks now over was identified as an obstacle. Emphasis was placed on the need for flexibility, the need for signals, and the building of confidence. At this stage the mood was more important than substance, and there was certainly no need for premature disclosure of negotiating positions. It was suggested that the Irish had under-exploited opportunities to reduce the price of progress cheaply to themselves and that different levels of message were possible. In due course close continuing consultation would be necessary to relate the concepts of structure in the Talks and the gap in the Agreement. We should try to avoid a short timeframe, and try to define markers of progress which would permit extra time to be allowed.
- 3. In discussing the Unionist attitude to the Talks, we emphasised that the Talks had been a test for everybody not just the Unionists. The Unionists had been not unconstructive. There had been genuine inter-action and Seamus Mallon was quoted as referring to "golden moments". A key to reducing continuing apprehension was to try to arrive at face-to-face discussions between the Irish and

the Unionists. There was willingness at sub-leader level to change attitudes and some regret at the continuing exclusive focus on Strand I issues. There might in future be less emphasis on sequence. There was a spectrum of views within the parties and we were getting signals of interest of a resumption despite the holding of the Conference. The Unionists were not adverse to pocketing negotiating gains, but were also showing a genuine wish to come to grips with the issues. The situation was not the same as at the end of 1990. The positions of Dr Paisley and Mr Molyneaux within their parties had also changed. Continuing inhibitions were not the result of the political process but of deep obstacles. The formalistic sense of second class status remained an important aspect of the Unionist psyche.

4. The Irish side showed themselves extremely nervous about references to flexibility. They re-stated their continued support for the Talks and expressed themselves as willing to continue to help. They wanted to reach out to Unionists but had difficulty in identifying how, given the problem of the Unionist veto on the one hand and that of easily frightening them off on the other. There was a reluctance to see the situation as having changed much. What degree of flexibility were they really showing? Any movement still seemed to be threatening. There was a reluctance to admit that there was a problem. It was necessary to reassure nationalists as well, who were concerned about Unionist purposes and the possible undermining of the Agreement. The Irish felt less optimistic than we. Unionists must feel some concern about the perceptions they have themselves provoked, but there might be a need for time for this to work through. Were they yet really ready to justify concessions to their supporters? If this analysis was right, governments did not need to move further. Flexibility, it was emphasised repeatedly, was a real difficulty, particularly if it was than other than totally neutral in terms of the Anglo-Irish

Agreement. The British situation was perhaps easier than the Irish one. We were primarily facilitators. They were too but also represented and had to address the substance of the problems.

- 5. The British side re-stated our belief that adherence to the Conference on 16 July reduced any future risk to the Agreement.

 HM Ambassador expressed puzzlement as to why the Irish seemed so worried about something positive. The Talks had not endangered the Agreement, they had not encouraged the terrorists, they had indeed demonstrated the possibility of a developing situation which would make the terrorists irrelevant. There was no risk of a renewed unionist veto. They could not be coerced, but they would not always have British Government backing. Since a settlement could not be imposed we should be concentrating on possible areas of agreement. Fears of an internal settlement alone were increasingly recognised as a paper tiger by all the participants. As he departed from Dublin he hoped that we were not about to miss a historic opportunity to move upwards. There was a possibility of qualitative step forward but he was worried by Irish suspicions and fears.
- 6. There was an exchange (prompted by Mr O'Donovan, presumably in support of the thrust of his own activities with the Secretariat) about the need to enhance co-operation in other areas, primarily economic and social. It was emphasised on the British side that there was both full support for this and a substantive agenda to pursue.
- 7. It was agreed that there would be another Diner in the Autumn, probably in October to proceed the Heads of Government meeting in November. There would be no sub-groups but discussion of a communique in the Diner framework was not excluded. The British side made it clear that we had developing ideas on all the six points in the "Agenda" which Mr Haughey had deduced from Mr Major's

comments in June, but a marker was put down that the Council of Ireland, whilst not excluded, was a sensitive concept and part of the overall political process. The status of the McIlroney Mulroum "message" was noted. The sensitivity of any opening to Sinn Fein was underlined.

- 8. In describing the possible agenda for an Autumn summit Sir R Butler said that Security Co-operation would be "last but not least" on our agenda. Mr Nally urged that this should not have a high profile; this would be like rubbing a sore. (We understood that he subsequently indicated privately to Sir R Butler that it was indeed the public profile of the issue, rather than private ventilation of the issues involved, which was his main concern.)
- 9. Four general comments may be in order:
 - (a) the Irish spoke very much to a single script, agreed we understood at a meeting chaired by the Taoiseach on the morning of the Diner;
 - (b) in the Diner itself, the Taoiseach's "alternative agenda" had very much the quality of a dog which did not bark. Our premise on the primacy of the Brooke was tacitly accepted, and discussion moved from there;
 - (c) despite the firm adherence to the 16 July Conference and its apparent success in demonstrating the determination of the two Governments not to allow the Agreement to be undermined, fear that we would seek to do just that, and mistrust of us in that context was very apparent;
 - (d) whilst it is too soon to say that Sean O hUiginn's arrival will have a long-term unhelpful effect, time is clearly

needed for him to absorb the reality of changes since he left the scene in early 1990. This will not be helped by the tendency of Ann Anderson, as the anchor person in the Irish team, to put the worst construction on Unionist actions and her adherence to the school which is sceptical of real progress in advance of change in the leadership of the Unionist parties.